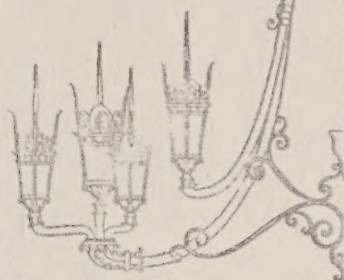


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STATUS REPORT

Boston Redevelopment Authority Housing Initiatives

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Introduction

INTRODUCTION

The Boston Redevelopment Authority has made progress on expanding the supply of affordable housing, and on instituting planning and zoning controls to protect the city's existing affordable housing. This report documents, among other things, the increase in housing production achieved this year. Highlights of this year's production efforts include:

- o As of June 30, 1986, 1,100 units were "started"; i.e., building permits for these units were issued by ISD;
- o The Authority is targeting approximately 2,500 "starts" for calendar year 1986;
- o 36% of these units are affordable to low- and moderate-income households. With the recent \$71 million funding from the state, this proportion can be even higher;
- o Approximately 52% of these units are equity units, and 48% are rental units.
- o A total of 20 community and minority developers, and non-profit organizations are project developers. The units in these projects total over 1,034.
- o These figures do not include Columbia Point, the most complex project under review, which is expected to break ground in early 1987.

These properties have been initiated in a time of federal withdrawal from housing assistance. In 1986, HUD will spend about 10 cents for every dollar it spent in Boston a decade ago. These projects have required collaboration with our colleagues in government, the community and the private sector. To fill the gap created by the federal retreat, the city has responded with innovation and creativity. Many projects which were considered "impossible" have been transformed into reality.

The Boston Redevelopment Authority's efforts to address Boston's housing needs are better understood with reference to specific projects. Projects such as Tent City, Columbia Point and the Infill "shells" which blight

neighborhoods in Roxbury, South End and North Dorchester show the Flynn Administration's willingness to take on the projects others have abandoned. These projects represented broken promises from the past. They were grim reminders of the disparity between Boston's prosperous downtown and its not so prosperous neighborhoods.

Today these projects are either under construction or well on their way to a construction start in the near future. To bring these projects to fruition it was necessary to utilize every resource available from the state and federal governments and every possible source of revenue and assistance from the private sector, including the money paid back to the city from downtown developers who received UDAG grants for their projects. These are vivid examples of the ways in which the Flynn Administration is using the benefits of downtown growth to solve problems in Boston's neighborhoods. These projects also take on added importance, above and beyond the housing units they will provide. Even when the federal government is curtailing virtually all housing programs the city is providing housing.

The housing projects under construction underscores the city's willingness to use innovative ideas and new approaches to solving Boston's housing crisis. At the Charlestown Navy Yard, for example, we were able to obtain a UDAG grant which helped in the development of 110 units of elderly housing. Then, by instituting a land swap with the designated developer of the Navy Yard, Immobiliare New England, we were able to designate the Bricklayers and Laborers Unions to build 40 units of affordable housing never called for in the original development program for the Navy Yard. In fact, the development plan of the Navy Yard is being revised so that more units of housing can be added to the original development program. When the project is finished, more than 2,000 units of housing will be available.

Our main goal is twofold: to increase housing production and affordability. Within that context we have used controls over publicly-owned land to assist those groups in the city with the most need. Thus, we provided a site in the South End renewal projects so that Rosie's Place could find a new home to provide its invaluable services to homeless and indigent women. Likewise, we have made a site available in the South End to Boston Aging Concerns so that 24 units of congregate housing for elderly residents can be produced on West Newton Street. Similarly, a site in Roxbury was made available to Casa Esperanza at below market value.

Roxbury Housing

It is in this same spirit that we are trying to fulfill promises for affordable housing made to the Roxbury community more than two decades ago. In that community we have designated minority developers and community-based nonprofit organizations to develop more than 600 units of housing. To back up that commitment, the BRA is providing some \$500,000 in technical assistance grants to assist these groups in design work. We are also sponsoring outreach programs so that the widest possible number of community residents are awarded these new projects and the opportunities for affordable housing that are created.

South End Housing

The Authority has worked with the community to create a number of housing projects in the South End. Examples of these projects are TDC, Tent City, and Boston Aging Concerns/Young and Old United. In addition, with the SENHI Program we are also beginning to deliver on promises and commitments made more than two decades ago. Our plan is to offer parcels of

vacant land to community-based developers in order to produce more affordable housing. We will use the disposition proceeds from sale of this land to establish a neighborhood stabilization fund. With this fund we will be able to help residents purchase units for conversion to limited equity cooperatives and we can also provide direct cash grants to low-income renters not protected by rent control.

Protecting Affordable Units

To protect existing affordable housing we have instituted legal action to stop conversion of rental units in renewal projects to condominiums and to stop the sale of subsidized units to developers who might later raise the rents in these projects. Many subsidized housing developments in Boston were originally built with tax relief under the BRA's 121A program, which gives the BRA the authority to review and approve or deny the sale of these developments. The BRA is using this authority to assist the tenants of Roxse Homes (300+ units) and Academy Homes (200+ units), who face potential displacement following a sale to out-of-state developers. In these and other 121A projects, the BRA has worked closely with tenant groups to protect tenants from displacement, to see that repairs are made and the property maintained, and that residents would have an option to purchase the development as a resident-owned cooperative.

Many subsidized developments in Boston have fallen on hard times because developers "walked away" and failed to pay the taxes, pay the mortgage, or maintain the buildings. As a result, the federal government foreclosed and currently owns these developments. More than 2,000 apartments (called the Granite Properties) are currently in this situation. HUD planned to sell these buildings - scattered throughout Roxbury, Dorchester, and the South End -

to the highest bidder at a public auction. The Flynn Administration worked closely with tenants groups, community organizations, and the state government to halt the auction, and convinced HUD to sell half of these units to communitybased non-profit groups (CDCs) and the other half to responsible developers. MHFA agreed to insure the projects, and the BRA helped provide funding for the CDCs to undertake their rehabilitation and preservation.

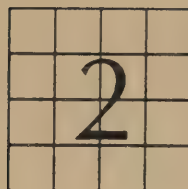
In 1983 the developer of Charles River Park, a 2,322-unit apartment complex developed under an urban renewal agreement, initiated plans to convert the rental apartments to condominiums. The BRA filed suit to halt the conversion as a violation of the urban renewal plan. In 1986 the state Appeals Court decided that the BRA possesses the authority to approve or deny conversions at Charles River Park. The BRA is currently developing a program for protecting existing residents from displacement and preserving much-needed rental housing.

These examples cite evidence of a public agency committed not only to housing production but to policies which encourage a wide variety of housing, housing for every income group, housing in every area of the city, including the downtown. The federal government's withdrawal from housing assistance, however, means new methods must be found to produce significant amounts of affordable housing. Boston's strong housing market presents us with an opportunity to turn this crisis into a new opportunity.

Inclusionary Zoning

In Boston, in 1986, we have an unparalleled opportunity through inclusionary zoning to urge our strong downtown economy to generate affordable housing. The inclusionary zoning program proposed by the Flynn Administration has the potential for tapping into our strong housing market

by requiring the developers of housing projects to include a percentage of units for low- and moderate-income residents. There is overwhelming evidence that the downtown commercial boom of recent years has contributed to the strong demand for housing, and the escalation in prices which have had an adverse effect on residents in our older neighborhoods. Strong support exists in the development community for Inclusionary Zoning. Building 106 at the Navy Yard is proceeding with a 10% inclusionary requirement. Similar inclusionary agreements were reached with the developers of the Jefferson School and 15 North Beacon Street. Parkside West volunteered an off-site inclusionary benefit of \$525,000.



Housing Designations & Production

HOUSING DESIGNATIONS AND PRODUCTION

A great deal of BRA efforts consist of reviewing and approving housing developments. In the past year, the BRA has significantly expanded its housing-related activities. It has added staff, speeded up its process, worked closely with community organizations, and expanded its efforts to find resources to increase the number of affordable units. As the accompanying tables reveal, this effort has paid off. The BRA expects over 2,500 units to receive a 1986 "start"; more than one-third of these units are affordable to low- and moderate-income residents. With the enactment and implementation of Mayor Flynn's inclusionary zoning policy, 1987 should prove to be an even better year in terms of both the overall number of units and the percentage of low- and moderate-income units.

The BRA's housing projects can be divided into three categories.

Publicly-supported housing consists of developments constructed on BRA land or buildings. Most of the BRA's property is located in urban renewal areas in Roxbury, South End, Charlestown, and South Cove/Chinatown. Through the sale of these properties at below-market prices, the BRA is able to maximize the amount of affordable housing in these developments. Also, the BRA has found a variety of subsidy funds -- including state SHARP funds, federal UDAG funds, and others -- to expand the number of affordable housing units. As a result, more than 35% of the units receiving public assistance are affordable to low-income and moderate-income residents.

Private-market projects include large-scale developments in Boston's strongest market areas. These developments involve major investments by development teams. These market-rate projects are able to take advantage of Boston's strong housing market, fueled by the city's expanding economy and growing population.

As the table indicates, few of these units are affordable to low- and moderate-income residents. This fact encouraged Mayor Flynn to propose an Inclusionary Zoning policy to require developers of market-rate projects to also provide affordable units. Even prior to the enactment of this policy, the BRA worked with two developers to set-aside affordable units in their developments. As a result, more than 10 percent of the condominiums in the Jefferson School (Mission Hill) and 15 North Beacon (Allston-Brighton) will be available to low- and moderate-income residents. The next version of this report will therefore include many more affordable units in the private-market developments.

Finally, the BRA reviews and approves many smaller neighborhood-based projects through its zoning authority. As the table indicates, these developments are found in almost every neighborhood in Boston, suggesting the strong interest in Boston's neighborhoods. The developments provide housing opportunities in some neighborhoods that, only a few years ago, were experience disinvestment and deterioration. Through the recently-announced Massachusetts Housing Partnership, the BRA Flynn Administration and the state will be working closely to add more affordable units to these smaller neighborhood developments in the future.

1986 CONSTRUCTION STARTS
SUMMARY OF HOUSING PROJECTS
Boston Redevelopment Authority
July 16, 1986

<u>Housing By Type</u>	<u>Affordable Units</u>		<u>Market Rate Units</u>	<u>New Units</u>
	<u>Low</u>	<u>Moderate</u>		
Publicly Supported	299 23.43%	500 39.18%	477 37.38%	1,276 100.00%
Private Market Projects	9 0.86%	46 3.82%	999 95.32%	1,048 100.00%
Neighborhood Zoning Relief Projects	18 7.93%	18 7.93%	191 84.14%	227 100.00%
TOTAL:	326 12.78%	558 21.87%	1,667 65.35%	2,551 100.00%

1986 CONSTRUCTION STARTS
PUBLICLY SUPPORTED HOUSING PROJECTS
Boston Redevelopment Authority
July 16, 1986

<u>Housing By Type</u>	<u>Affordable Units</u>		<u>Market Rate Units</u>	<u>Total Units</u>
	<u>Low</u>	<u>Moderate</u>		
Charlestown Navy Yard Parcel 4A	0	39	0	39
Highland Park CAB	0	24	0	24
Mission Hill Boston NHS	0	18	0	18
Parker Street/ Artists Foundation	0	12	0	12
Subtotal	0	30	0	30
Roxbury 14-20 Linwood	0	3	9	12
68-70 Bartlett Street	0	8	14	22
Alpine Street	2	5	9	16
Cass House	28	0	83	111
Columbus Avenue	17	17	7	41
Dudley/Zeigler	15	0	45	60
Fountain Hill Square	20	38	54	112
Garrison-Trotter Homes	0	17	0	17
Garrison-Trotter Homes	0	72	0	72
Infill Housing	42	42	0	84
Winslow Court	0	24	0	24
Subtotal	124	226	221	571
South End 1134 Washington Street	0	7	0	7
1154 Washington Street	0	0	8	8
35-36 West Newton Street	30	0	0	30
395,397,400 Mass. Ave.	15	23	24	62
4-18 Ckarebdib/72 Warren	0	10	14	24
45 Thorndike	0	3	0	3
47 Thorndike Street	0	2	1	3
530 Tremont Street	3	0	0	3
557-569 Tremont Street	9	0	23	32
611 Tremont Street	1	0	4	5
889-905 Harrison Avenue	20	0	0	20
Parcel 16	30	0	115	145
Tent City	67	136	67	270
Subtotal	175	181	256	612
TOTAL	299	500	477	1,276

1986 CONSTRUCTION STARTS
PRIVATE MARKET PROJECTS
Boston Redevelopment Authority
July 16, 1986

<u>Project</u>	<u>Affordable Units</u>		<u>Market Rate Units</u>	<u>New Units</u>
	<u>Low</u>	<u>Moderate</u>		
Back Bay:				
Arlington-Hadassah	0	0	87	87
Brighton:				
15 North Beacon	0	18	162	180
Charlestown Navy Yard:				
Building-197	0	0	154	154
The Basilica/CNY-106	0	9	83	92
Pier 7	0	0	66	66
Subtotal	0	9	303	312
Dorchester:				
Bay Street	6	7	112	125
Port Norfolk Condos.	0	0	73	73
Subtotal	6	7	226	243
Downtown:				
Parkside West	0	0	90	90
Mission Hill:				
Jefferson School	3	6	50	59
North End:				
Lincoln Wharf II	0	0	62	62
South End:				
Clarendon Baptist	0	0	60	60
TOTAL:	9	40	999	1,048

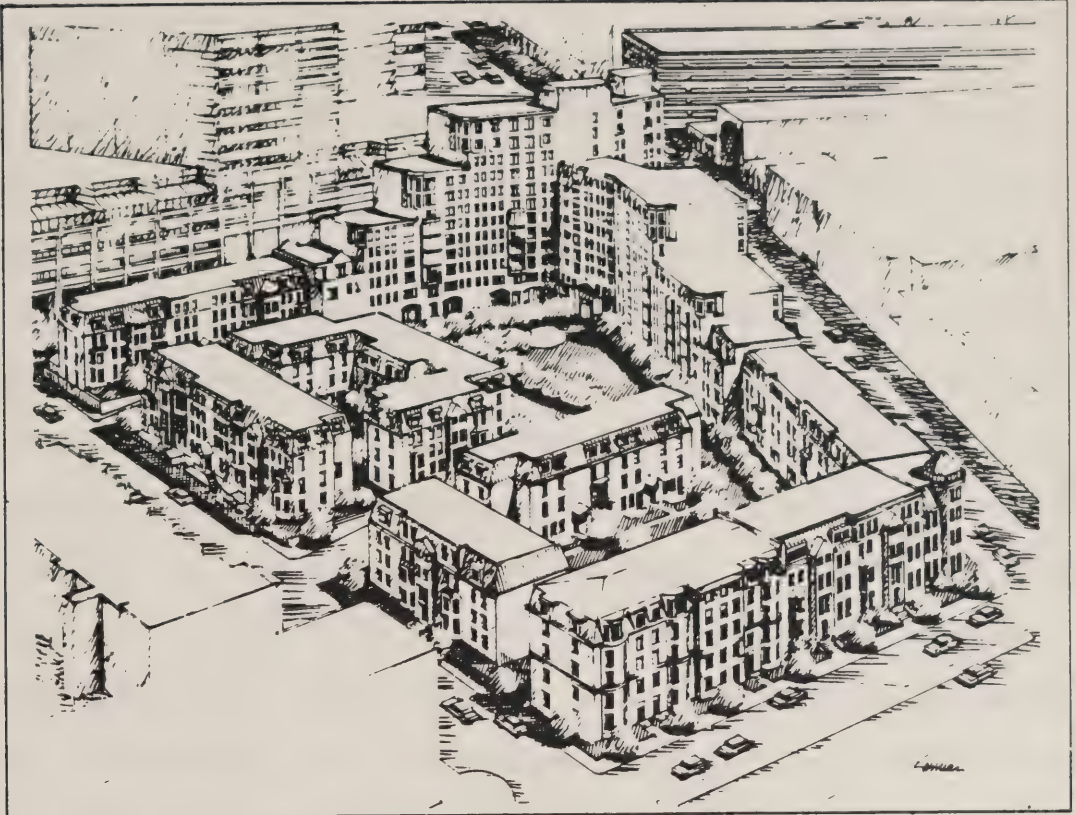
1986 CONSTRUCTION STARTS
NEIGHBORHOOD ZONING RELIEF PROJECTS
Boston Redevelopment Authority
July 16, 1986

Project	Affordable Units		Market Rate Units	New Units
	Low	Moderate		
Charlestown:				
1-7 Pleasant Street	0	0	10	10
12 Auburn	0	0	2	2
17 Union Street	0	0	2	2
243 Bunker Hill	0	0	2	2
32 Chestnut	0	0	3	3
5 Hathon Square	0	0	4	4
50 Washington	0	0	4	4
Subtotal	0	0	27	27
Dorchester:				
1 Berkshire Street	0	0	2	2
11 Kimball Street	0	0	16	16
111 Magnolia Street	0	0	2	2
114 Buttonwood Street	0	0	1	1
63-65 Hancock/2-4 Glendale	0	0	4	4
Subtotal	0	0	25	25
East Boston:				
10 Palermo	0	0	2	2
120 London	0	0	1	1
123A-126 Falcon Street	0	4	0	4
166-168 Saratoga	0	0	7	7
202-204 Bremen Street	0	0	6	6
255 Webster	0	0	1	1
268 Lexington	0	0	1	1
314 Meridian	0	0	1	1
329 Meridian	0	0	1	1
396 Meridian	0	0	1	1
44 Lexington	0	0	1	1
5 Moore Street	0	0	1	1
59 Cottage Street	0	0	1	1
863 Saratoga	0	0	1	1
Subtotal	0	4	25	29
Hyde Park:				
69 Como Road	0	0	2	2

<u>Project</u>	<u>Affordable Units</u>		<u>Market Rate Units</u>	<u>New Units</u>
	<u>Low</u>	<u>Moderate</u>		
Jamaica Plain:				
329 Lamintine Street	4	5	0	9
Lamartine Street	0	4	4	8
Subtotal	4	9	4	17
Roslindale:				
1-5 Ridge Street	0	0	3	3
124 Beach Street	0	0	1	1
207 Cummins Highway	0	0	3	3
232 Cornell	0	0	1	1
265-67 Cornell	0	0	1	1
48 Birch Street	0	0	1	1
61 Clifftondale Street	0	0	3	3
Subtotal	0	0	13	13
Roxbury:				
Norfolk House	0	5	22	27
South Boston:				
1-1a Cottage Street	0	0	5	5
11 Middle Street	0	0	4	4
111 L Street	0	0	3	3
159-65 M Street	0	0	6	6
176 L Street	0	0	1	1
246-248 W. Broadway	2	0	3	5
293-301 W. Third Street	0	0	16	16
296-98 W. 5th Street	0	0	2	2
307-11 W. 3rd	5	0	0	5
5 Pacific Street	0	0	3	3
54 Woodward	0	0	4	4
858a-862 E. 2nd Street	0	0	9	9
Subtotal	7	0	56	63
South End:				
1771/1789 Washington Street	6	0	14	20
380 Columbus Avenue	1	0	3	4
Subtotal	7	7	17	31
TOTAL	18	18	191	227



Sample Projects



TENT CITY

Tent City is a \$27 million housing complex which will consist of 270 rental units built, financed and owned by Tent City Corporation. Twenty-five percent of the units will be low income, 50% moderate income, and 25% market level. The project will also include a two-level subsurface parking garage to be financed, built and operated by UIDC, the developers of nearby Copley Place. One hundred and twenty-nine of the 698 parking spaces will be for Tent City residents. In order to implement this complex project, Tent City Corporation, UIDC, and the BRA entered into an innovative Memorandum of Understanding, the highlights of which are: UIDC will convey half of the Tent City site to the Authority at no cost to the BRA; the BRA will lease back to UIDC the sub-surface rights to the entire site for \$1.00 per annum for 99 years; the BRA will lease to Tent City the air rights to the entire site for \$1 per annum for 99 years for the construction of the housing; UIDC will lease 129 parking spaces to Tent City for 99 years for use by the tenants at Tent City; and the BRA will provide UIDC with development rights in consideration for UIDC constructing and operating that portion of the parking garage allocated to Tent City housing.

In addition, substantial public funds are committed to the project. The City of Boston has committed \$31 million over 30 years in Copley Place UDAG repayments to assist in rent reduction. The Massachusetts Executive Office of Communities and Development has awarded a \$795,000 CDAG. EOCD is also committing \$336,000 per annum in SHARP/707 funding. The BRA has awarded a \$543,000 public improvements grant and a \$132,000 demolition grant. In addition, the BRA has spent approximately \$2.5 million on site assembly and relocation.

TENT CITY

DEVELOPMENT TEAM

Developer: Tent City Corporation
Architect: Goody Clancy and Associates

PARCEL DESCRIPTION

Location: Dartmouth Street, Columbus Avenue, Yarmouth Street, and the Southwest Corridor Greenway

Size: 152,000 square feet

PROJECT DESCRIPTION

Units: 270 units
68 low income units
135 moderate income units
67 market rate units

Bedroom Mix: 95 one-bedroom units
90 two-bedroom units
67 three-bedroom units
18 four-bedroom units

Tenure: 270 rental units

Parking: 698 space garage (129 for Tent City residents)

FINANCING

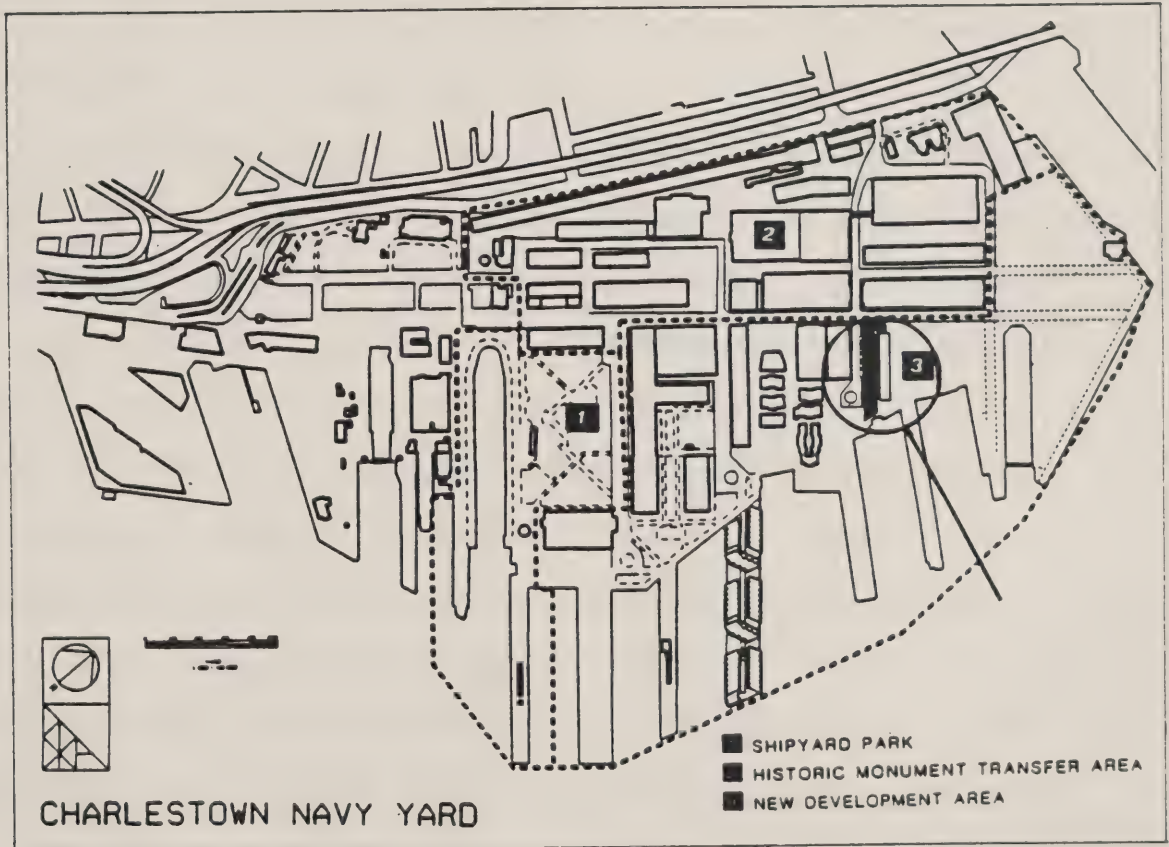
Total Development Cost: \$27 million

Public Land: 152,000 square feet BRA-owned

Public Financing: \$ 795,000 CDAG from EOCD
\$ 673,000 BRA
\$ 2,500,000 BRA (site assembly and relocation)
\$ 336,000/year - SHARP Financing through EOCD
\$20,000,000 MHFA
\$31,000,000 City of Boston



THIRTEENTH STREET ELEVATION



CHARLESTOWN NAVY YARD

The Charlestown Navy Yard is now emerging as one of the largest and most successful historic rehabilitation projects in the country. Once an abandoned military base, the Navy Yard today generates over 3,000 construction jobs and will eventually employ close to 5,000 people in permanent jobs. In addition, close to 1,000 units of housing are either completed, in construction, or under review, and more than twice that amount may exist at the Navy Yard at its completion. Moreover, the Navy Yard's rehabilitation will reopen the waterfront for public use. A beautiful new 16-acre park and many other plazas, open spaces, and piers will once again allow residents to reclaim the harbor for use and recreation.

Four housing developments have been completed in the Navy Yard, all by the firm Immobiliare New England totalling 527 units of which approximately 20 percent are subsidized for elderly residents. These include 367 units in the renovated Building 42, 48 new townhouse condominiums called Shipyard Quarters, and the 112-unit Anchorage Apartments for the elderly.

Immobiliare currently has approximately 218 additional housing units under construction which will be sold as condominiums at market rates.

Under review by the Authority and expected to commence shortly is The Basilica, a 92-unit condominium development which received final designation on March 20, 1986. Ten percent of the units will be subsidized by the developer, Basilica Associates, and sold to elderly residents at 50% of the market rate. Also under review is Building 79 which was tentatively designated on June 12, 1986 to Boston Harbor Investment Group. They will renovate Building 79 into 15 market rate condominiums.

Currently under review is an innovative proposal to create affordable housing through a collaboration between Immobiliare New England and the Bricklayers and Laborers Non-Profit Housing Corporation. A portion of Parcel 4A, which fronts on the harbor, has been identified as an appropriate site for such a project and preliminary schematic design plans prepared by William Rawn Associates, architects for the project, have shown that 39 units of housing could be constructed which would front on Thirteenth Street. The site is one of the most attractive in the city and will provide residents with spectacular water views of Boston Harbor.

It is expected that the experience and expertise of both developers, in combination with the donation of the land development rights by the Authority and Immobiliare, will produce housing units in prices ranging from \$72,000 to \$78,000 and can be marketed to families and individuals with incomes of less than \$42,000. Even with the donation of the land, however, the special site conditions and the unique design requirements of the Navy Yard have driven construction costs to a level where they exceed the revenues to be generated from sale of the units at the aforementioned prices. To offset this gap, Immobiliare will be allowed to defer payment of a portion of its obligations due the Authority from the proceeds of the sale of units at the future Pier 5 development and donate an equal amount to this project. Immobiliare would pay to the Authority an amount of money equal to the amount of money deferred plus interest.

The project is expected to commence during the third quarter of 1986 and take one year to complete. Charlestown and other Boston residents will be eligible to enter a lottery for the opportunity to purchase a unit.

CNY - PARCEL 4A

DEVELOPMENT TEAM

Developer: Immobiliare New England and the Bricklayers and Laborers
Non-Profit Housing Corporation
Architect: William Rawn Associates

PARCEL DESCRIPTION

Location: Bounded by 13th Street, 1st Avenue, the remainder of Parcel 4A
and Boston Inner Harbor.

Size: 29,756 square feet
4,572 for parking on adjacent site,

PROJECT DESCRIPTION

Units: 39 below market rate units

Bedroom Mix: 15 one-bedroom units
18 two-bedroom units
5 three-bedroom units
1 four-Bedroom units

Tenure: 39 equity units

Parking: 39 spaces

FINANCING

Total Development Costs: \$3.7 million

Public Land: \$29,756 square feet BRA-owned

Public Financing: None



FOUNTAIN HILL

Developer Richard Taylor has received tentative designation to construct 116 units of family housing on a five-acre BRA-owned parcel called Fountain Hill in the heart of Roxbury. This site was assembled by the BRA in the late 1960s as part of the Washington Park Urban Renewal Plan. Taylor's proposal was selected following a three-month long competition among eight proposals which was the subject of extensive community input. This community involvement continues today as neighbors help to shape the marketing strategy for the development.

Half of the townhouse condominiums, all two- and three-bedroom units, will be sold at below market prices; thirty-five (35%) percent of these units will be affordable to low- and moderate-income buyers. This will be accomplished by contributions from both the BRA (\$600,000 cash and write-down of land price) and the developer. The other half of the development will be market-rate; some of the market-rate townhouses will include a rental unit.

The low-income units will sell for \$42,177 (two-bedroom) and \$48,973 (three-bedroom); the moderate-income units will sell for \$67,992 (two-bedroom) and \$76,613 (three-bedroom). Purchasers of some townhouses will be able to take advantage of low interest mortgages available through the Massachusetts Housing Partnership Homeowners Opportunity Program.

The development will also include considerable open space, a "tot lot", and other public amenities.

FOUNTAIN HILL

DEVELOPMENT TEAMS

Developer: Taylor Development
Architect: Chisholm and Washington

PARCEL DESCRIPTION

Location: Circuit Street and Fountain Hill

Size: 211,303 square feet

PROJECT DESCRIPTION

Units: 97-124 units
42 low income
16 moderate income
39-66 market rate

Bedroom Mix: 35 two-bedroom units
62-89 three-bedroom units

Tenure: 97 equity units
0-27 rental units

Parking: 97-124 spaces

FINANCING

Total Development Cost: \$8 million

Public Land: 211,303 square feet BRA-owned

Public Financing: None

4

35-36 West Newton Street



BOSTON AGING CONCERNS/YOUNG AND OLD UNITED

Boston Aging Concerns/Young and Old United will rehabilitate 35-36 West Newton Street into shared living apartments for South End residents. The building will consist of 26 single occupancy units and four apartments - one two-bedroom, one studio, and two one-bedrooms. In addition, the basement will be converted into commercial and storage space. Kitchens, bathrooms and living rooms will be common areas.

These structures were tentatively designated to Boston Aging Concerns/Young and Old United by the BRA in November of 1985. These two brick buildings are four and one-half stories on approximately 3,264 square feet of land. They were historically used as rooming houses and are situated on a block which was at one time comprised of primarily single-room occupancy (SRO) housing. Thus development will replace some of the many rooming house opportunities that have been lost in the South End.

BAC/YOU's single room occupancy program will serve intergenerational, mixed-income residents, primarily low- and moderate-income elderly from the South End and adjacent neighborhoods who have been displaced or live in substandard conditions. Seventy percent of the residents will be 55 years of age or older; seventy percent will have incomes below HUD's low/moderate income guidelines.

BAC/YOU has demonstrated its capability by successfully rehabilitating and managing two other single room housing developments located on Marlborough Street in the Back Bay and on Park Drive in the Audubon Circle area.

Final plans for the restoration should be submitted to the BRA in July. Renovations begin in October, with occupancy scheduled for next summer.

BOSTON AGING CONCERNS

DEVELOPMENT TEAM

Developer: Boston Aging Concerns/Young and Old United

Architect: Architects & Associated Designers, Inc.

PARCEL DESCRIPTION

Location: 35-36 West Newton Streets

Size: 3,264 square feet

PROJECT DESCRIPTION

Units: 30 lodging rooms
70% individuals over 55
70% low income

Bedroom Mix: 30 units
26 rooms
1 efficiency unit
2 one-bedroom units
1 two-bedroom unit

Tenure: 30 lodging units

Parking: None

FINANCING

Total Development Cost: \$1.3 million

Public Land: 3,264 square feet BRA owned

Public Financing: \$125,000 BRA*
\$300,000 Public Facilities Department
\$222,969 grants and contributions

* Estimate; applied for but not yet received



BOSTON CITY LIGHTS

Boston City Lights, and founder R. Duggan Hill, had dreamed for seven years of having their own facility out of which to operate the performing arts/teaching center for city young people. The program, free to talented young people from Boston, was begun with just a few individuals participating. It has grown, with the help of private donations of space, funding, and time, to an average of 200 young people participating in the program each year. Hill has been working with the BRA to locate a home for his program, which outgrew space on Dwight Street years ago. In February, Boston City Lights was named tentative developer of 1154-1160 Washington Street, a BRA property in the South End.

City Lights proposes to transform the six-story structure on Washington Street into eight residential condominium units on the upper floors, designed for and marketed to South End graphic and performing artists. Boston City Lights Foundation would own the lower two floors and basement, which would become the studio and rehearsal space, sound and editing facilities, and auditorium with a modular stage, lockers, showers and shop space.

The permanent home for Boston City Lights will be financed by the sale of condominium units. In this instance, the development right has been used to support the group's worthwhile activities.

There is broad community support for the proposal. It was endorsed by the Eight Streets Neighborhood Association, Cathedral of the Holy Cross and Boston Center for the Arts. Moreover, City Lights has been promised upwards of a million dollars in free or reduced cost services to help them rehabilitate the building. This extraordinary outpouring of support for City Lights and their project is a credit to the organization, its founder, and the work they do for the community.

BOSTON CITY LIGHTS

DEVELOPMENT TEAM

Developer: Boston City Lights Foundation, Inc.
Architect: Douglas Sulzer
Morris Nathanson

PARCEL DESCRIPTION

Location: 1154-1160 Washington Street

Size: 4,836 square feet

PROJECT DESCRIPTION

Units: 8 market rate artist live/work units

Bedroom Mix: 8 studios

Tenure: 8 equity units

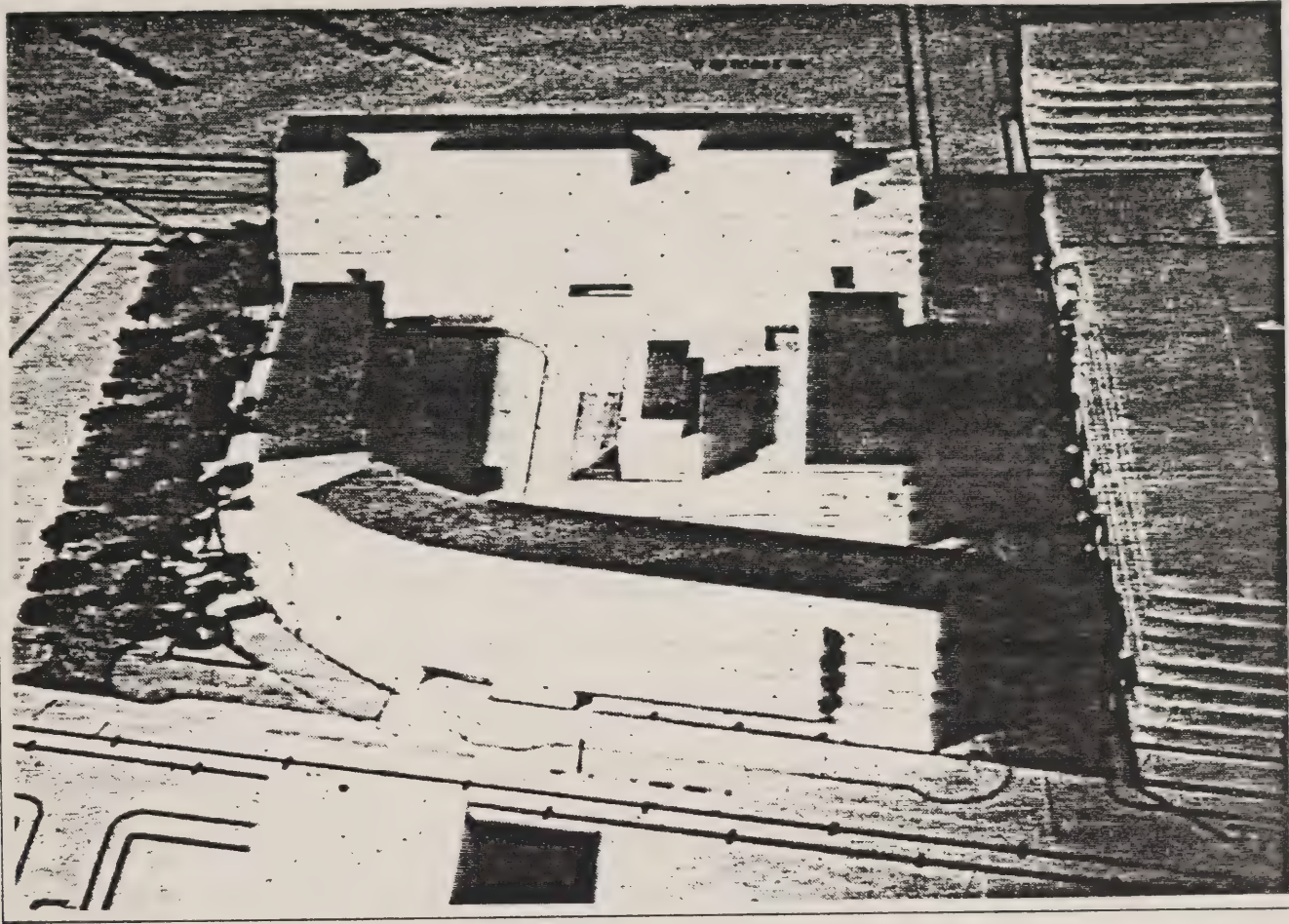
Parking: 26-28 spaces for tenants

FINANCING

Total Development Cost: \$2.1 million value to be constructed at cost of \$1.4 million with donated materials and services

Public Land: 4,836 square feet BRA owned

Public Financing: None



DOUGLASS PLAZA

Douglass Plaza will be the first large scale residential and commercial development with a substantial market rate component to be located in Roxbury in many years.

Douglass Plaza has six components: (1) a seven story building along Columbus Avenue containing 75 rental apartments and a management office for the development; (2) a five story building along Tremont Street containing 45 rental apartments and approximately 5,000 square feet of subdividable commercial space on the Tremont Street level; (3) a cluster of nine 3½ story owner-occupied, single family semi-detached rowhouses along Camden Street; (4) a cluster of eight 3½ story, two family semi-detached rowhouses along the new street; (5) a community building with recreation rooms and outdoor pool located in the landscaped central courtyard; and (6) a 106-car underground parking garage.

Seventy-five percent of the units in the mid-rise buildings will be leased at market rents, while 25% of the units will be reserved for persons of low and moderate income. Each of the rowhouse units along Camden Street will be sold as a private home, with each of the rowhouse units along the new street being divided into two two-bedroom condominiums. It is hoped that this multi-tiered combination of rental and ownership units will provide a culturally and economically diverse environment in which to live.

The developer is Douglass Plaza Associates, a joint venture between the Concord Baptist Church, Richard L. Taylor, Lawrence R. Smith and Boston Investment and Development Company (BIDC). The Concord Baptist Church, as limited partner, provides direct input from the community into the development process.

While planning is preliminary at this time, it is estimated that Phase Two of this development will contain an additional 135-155 dwelling units with amenities and ancillary commercial space.

DOUGLASS PLAZA

DEVELOPMENT TEAM

Developer: Douglass Plaza Associates

Architect: Vitols Associates

PARCEL DESCRIPTION

Location: Bounded by Tremont Street and Columbus Avenue

Size: 4 acres

PROJECT DESCRIPTION

Units: 146
32 low income
114 moderate and market rate units

Bedroom Mix: 41 one-bedroom units
84 two-bedroom units
21 three-bedroom units

Tenure: 121 rental units
25 equity units

Parking: 122 spaces

FINANCING

Total Development Cost: \$13,443,117

Public Land: 4 acres BRA-owned

Public Financing: \$ 9,538,416 MHFA
\$ 357,652 1st Year SHARP
\$22,966,700 CDAG



WINSLOW COURT

Winslow Court is a 24 unit townhouse development that will be constructed on Dudley Street in Dudley Square, Roxbury. The project, which will provide home-ownership opportunities to people in this section of Boston, signifies a change in attitudes towards this strategic location, only 2½ miles from the central business district. Buoyed by the impending removal of the Washington Street elevated and also by the BRA's formulation of a \$750 million investment strategy for the neighborhood, a neighborhood organization is branching into housing development for the first time.

Opportunities Industrialization Centers of Greater Boston, Inc. is the developer, with the consultation of Cabot, Cabot and Forbes. There will be 20 two-bedroom units and four three-bedroom units in a stacked 2½ story configuration. A UDAG grant of \$360,000 will take approximately \$15,000 off the sales price of each unit, with low interest financing available through MHFA.

The development will eliminate two blighted parcels in the heart of Dudley Square. It will also provide home-ownership opportunities in this neighborhood in which 81% of housing is publicly assisted, and only 4% owner occupied. Although modest in scale, this project will instill confidence in the resurgence of Dudley Square, and may spur additional development in the area.

WINSLOW COURT

DEVELOPMENT TEAM

Developer: Opportunities Industrialization Centers of Greater Boston, Inc.

Architect: Eisenberg, Haven

PARCEL DESCRIPTION

Location: Corner of Dudley and Dearborn Streets

Size: 29,153 square feet

PROJECT DESCRIPTION

Units: 24
24 below market rate units

Bedroom Mix: 20 two-bedroom units
4 three-bedroom units

Tenure: 24 equity units

Parking: Off-street parking

FINANCING

Total Development Cost: \$2.2 million

Public Land: 29,153 square feet BRA-owned

Public Financing: \$360,000 UDAG
\$1,650,000 MHFA New Construction Set-aside



PARKSIDE WEST

The residential Parkside West proposal will replace structures on the Tremont Street park frontage with a well-designed building that enhances the scale and character of the neighborhood adjacent to the Boston Common. The uses include below grade parking, street-level lobby and retail shops, and 94 units in the 16 floors above. The height of the building is 155 feet to the top of the occupiable space, which conforms to zoning requirements with respect to height for buildings adjacent to the Common.

Several aspects of the architectural design will insure the compatibility of Parkside West with the traditional character of the area. The predominant materials are masonry - brick and limestone - similar to other buildings which front the Common. The entrance and lower floors are emphasized with arches and rusticated stone in a style similar to nearby historic buildings. Belt courses of stone at the fourth, sixth and eighth floors relate to details in older buildings on adjacent blocks. Setbacks at the fifth and ninth floors reduce the impact at street level and tie the building masses to neighboring buildings. Vertical articulation of the building's mass is a traditional architectural treatment. The window groupings and sizes reinforce the vertical articulation as does the rooftop treatment, and gives the design the traditional elements of clearly defined top, middle, and base.

Public amenities include a much improved streetscape with trees, lighting and brick and granite paving along Tremont Street. Pedestrian improvements to Mason Street are also proposed. An offer of a voluntary housing payment of \$525,000 has been made as part of their DIPP agreement by the development team. These funds will support housing for the homeless and neighborhood residents.

PARKSIDE WEST

DEVELOPMENT TEAM

Developer: Tremont One Associates

Architect: Cannon/Yan Associates and Piatt Associates

PARCEL DESCRIPTION

Location: Bounded by Tremont, Mason, West, and Avery Streets

Size: 5,695 square feet

PROJECT DESCRIPTION

Units: 94
94 market rate units

Bedroom Mix: 31 one-bedroom units
37 one-bedroom w/study units
26 two-bedroom units

Tenure: 94 equity units

Parking: 75-90 spaces

FINANCING

Total Development Cost: \$22 million

Public Land: None

Public Financing: None



TENANTS DEVELOPMENT CORPORATION

Tenants Development Corporation (TDC) will develop 59 units of mixed-income rental housing on several Massachusetts Avenue sites. Twenty-five percent of the housing will be for low-income households, thirty-five percent for moderate-income households, and forty percent market-rate households. The development will include a mix of one-, two-, three-, and four-bedroom units.

Two buildings at 395-397 Massachusetts Avenue will be renovations of existing rowhouses, in accordance with the requirements South End Historic District and the Landmarks Commission. The restorations will bring back to life buildings that have been an eyesore and a safety hazard for years.

A new 48 unit structure will be built across the street at 400 Massachusetts Avenue. This four to six story stepped building has been designed with a traditional South End modern, efficient floor plan that maximizes the number of available dwelling units.

This development has been the subject of extensive design review by the community. This process was sufficiently successful to induce the community to abandon legal action initiated by them over design issues.

Affordability for low- and moderate-income families will be achieved by using MHFA construction and permanent financing, a 15-year SHARP loan, a 15-year loan from the City of Boston Neighborhood Development Fund (Copley Place UDAG repayments), and contributions of fees and syndication proceeds by the developer.

TENANTS DEVELOPMENT CORPORATION 3

DEVELOPMENT TEAM

Developer: Tenants Development Corporation
Architect: Don Stull

PARCEL DESCRIPTION

Location: 395, 397 and 400 Massachusetts Avenues

Size: 18,995 square feet

PROJECT DESCRIPTION

Units: 59
15 low income
21 moderate income
23 market rate

Bedroom Mix: 2 efficiencies
26 one-bedroom units
18 two-bedroom units
12 three-bedroom units
1 four-bedroom units

Tenure: 59 rental units

Parking: 31 spaces

FINANCING

Total Development Cost: \$6,478,550

Public Land: 16,645 square feet BRA-owned

Public Financing: \$1,600,000 HODAG*
\$2,584,767 City of Boston
\$4,550,100 MHFA Mortgage

* Applied for but not yet approved



COLUMBIA POINT

The Columbia Point project involves the transformation of the presently dilapidated 1504 unit housing project into Harbor Point, a 1282 unit mixed income rental community consisting of new and rehabilitated buildings with studios to six bedrooms, recreational facilities, free tenant parking, convenience shopping, and health, daycare, and maintenance facilities. The site is owned by the Boston Housing Authority and the City of Boston.

The new site plan is designed around a new street pattern which will open up views to the water and/or the Boston skyline down every street. The development's central focus will be on the "town green" which will extend through the middle of the site.

A minimum of 400 units will be designated for low income tenants with present tenants of Columbia Point given priority. These units will be permanently maintained at rents not greater than those paid by public housing tenants. The remainder of the units will be market rate.

The developer is Harbor Point Apartments Company Limited Partnership, consisting of Corcoran, Mullins, Jennison Inc., John B. Cruz Company, Robert Kuehn, Peninsula Housing Corporation, SBD Trust, and Columbia Point Community Task Force, a non-profit tenant organization. Development is expected to take 22 months with full completion in 1990.

Mayor Raymond L. Flynn and Director Stephen Coyle traveled to Washington, D.C. recently to support an amendment to the Senate Tax Bill supported by Senator Kennedy. Provisions in the proposed tax code would have jeopardized the project's financial feasibility by shortening allowable depreciation periods and by disallowing the pass-through of passive losses. Once the amendment goes to conference and is voted by both houses, as is expected, the financing for the Columbia Point project will be secured and the project will commence.

COLUMBIA POINT

DEVELOPMENT TEAM

Developer: Harbor Point Apartments Company Limited Partnership
Architect: Goody, Clancey Associates
Mintz Associates
Carol R. Johnson Associates

PARCEL DESCRIPTION

Location: Columbia Point Peninsula

Size: 1,952,000 square feet

PROJECT DESCRIPTION

Units: 1,282
400 low income units
882 market rate units

Bedroom Mix: 1 studio
378 one-bedroom units
652 two-bedroom units
175 three-bedroom units
76 four/six bedroom units

Tenure: 1,282 rental units

Parking: 1,350 parking spaces

FINANCING

Total Development Cost: \$179 million

Public Land: 1,952,000 square feet BHA and City of Boston owned

Public Financing: \$121,073,600 MHFA Mortgage
\$ 12,000,000 UDAG
\$ 8,700,000 Urban Initiatives Grant



Infill Housing Program

GOALS OF THE INFILL HOUSING PROGRAM

- o CREATE LARGE BEDROOM UNITS FOR OWNERSHIP BY LOW AND MODERATE INCOME FAMILIES
- o ACHIEVE 100% AFFORDABILITY
- o BUILD DEVELOPMENT CAPACITY OF AREA COMMUNITY DEVELOPMENT CORPORATIONS
- o DEVELOP A MODEL OF COOPERATION AMONG NON-PROFITS AND CDC'S
- o REMOVE SOURCE OF NEIGHBORHOOD BLIGHT AND CRIME BY REDEVELOPING THE VACANT AND DILAPIDATED INFILL STRUCTURES INTO NEIGHBORHOOD HOUSING
- o INTEGRATE INFILL STRUCTURES INTO NEIGHBORHOOD FABRIC BY SENSITIVE FACADE TREATMENT AND SITE WORK

THE INFILL HOUSING DEVELOPMENT PROGRAM

Background:

In 1969-1970, an Infill Housing Program was undertaken by HUD and a private developer to construct 400 units of family housing on vacant sites scattered throughout the city. Over 100 units in 18 structures were begun, but the project was abandoned before they were finished. After sixteen years, the abandoned shells still stand and are an everyday affront to the neighborhoods in which they are located, and the city.

The buildings are masonry structures in varying configurations ranging from 4 to 12 units in a building, with a bedroom count ranging from 3-5 bedrooms per unit.

Program Description:

The 17 Infill structures in Roxbury, North Dorchester and the South End have been packaged as one development project to take advantage of economies of scale and in an effort to overcome the historical inertia that has characterized the development of these buildings. This comprehensive treatment and the combination of the Infill units with a resource package to improve affordability make this an ideal development opportunity for community development groups. We have tentatively designated four experienced and enthusiastic CDC's in the Roxbury-North Dorchester neighborhoods who want to tackle the Infill project to replace the blight in their neighborhoods with affordable housing units for large, low to moderate income families. The four CDC's are:

NUESTRA COMUNIDAD DEVELOPMENT CORP.
QUINCY-GENEVA/ROXBURY MULTI SERVICE CENTER
ROXBURY-NO. DORCHESTER NEIGHBORHOOD REVITALIZATION CORP.
CODMAN SQUARE HOUSING DEVELOPMENT CORP.

The units developed will be large units containing 3, 4, and 5 bedrooms for low and moderate income families. Ownership will be achieved through a combination of condominium and cooperative models.

The Infill Collaborative:

Because the scattered Infill units are identical in design, CDC's have entered into the Infill Collaborative, Inc., to achieve economies of scale in design, engineering, technical assistance, and construction. The Infill Collaborative provides a model of collaboration for community development entities seeking to deal with potentially overwhelming housing development costs, while preserving the legal separation between the four CDC's. This approach recognizes the potentially different levels of capacity of the four CDC's and draws on the expertise and strengths of each to create a strong development entity. Individual CDC's will package their designated properties for financing and marketing. The BRA will require the CDC's to develop affirmative marketing plans to guarantee that the units will be available to all low and moderate income residents of the city.

The Infill units will be marketed as limited equity cooperatives or condominiums. Resale controls will be required to prevent speculation and preserve affordability over time.

The Infill Collaborative is an innovative and creative partnership among four CDC's -- Nuestra Comunidad Development Corp., Codman Square Housing Development Corporation, Quincy-Geneva/Roxbury Multi-Service Center, and Roxbury-North Dorchester Neighborhood Revitalization Corporation. By joining together, these four community-based organizations are able to save costs toward their goal of producing affordable housing. These cost-saving measures cover architectural, engineering, and construction contracts.

Resources:

The goal of the Infill program is to create housing that is affordable to families below 80% of the SMSA median income. By using Mass Housing Partnership Resources we will achieve affordable homeownership for 100% of the units. Many agencies will contribute to this effort. The BHA will participate by buying 10 condominium units under the 705 program for families at public housing assistance levels. Approximately 20 units will be cooperatives financed by the Land Bank's Pilot Cooperative lending program. Between 50-60 units will be affordable, limited equity condos, subsidized through MHP's Homeownership Production Program (HOP), offering families mortgage rates as low as 5.5% through the Mass Housing Finance Agency. In addition EOCD has granted the Infill Collaborative \$210,000 for demolition and asbestos removal. This work has already been accomplished. The BRA has been chosen by HUD to receive an Urban Homesteading Demonstration Grant. Participation in the Demonstration entitles the Infill development program to technical assistance for program design and cooperative resident training.

The BRA will provide \$499,000 in technical assistance grants to cover architectural and engineering services, facade treatment and staff overhead costs to support the CDC's. The first installment of this funding, totalling \$30,000 has been distributed equally among the four CDC's.

This project is part of the Administration's commitment to work closely with non-profit groups to develop housing. The four CDC's in the Infill Collaborative have demonstrated their ability and concern through previous efforts, such as the Boston Housing Partnership units. We are hopeful that the Infill project will be the first of many government-community partnerships.

LIST OF INFILL SITES AND DESIGNATED CDC'S

<u>REDEVELOPER</u>	<u>PARCEL</u>	<u>ADDRESS</u>	<u>UNITS</u>
<u>NUESTRA COMUNIDAD</u>			
	711	8 Dunmore St.	4
	711	263 Eustis St.	4
	650	105 George St.	4
	508	120 George St.	4
	2	28 West Cottage St.	4
			<u>20</u> Units
<u>ROXBURY MULTI-SERVICE CENTER</u>			
	900	564 Blue Hill Ave.	4
	756	25 Dale St.	4
	940	15 Kensington St.	4
	1448	980 Tremont St.	4
			<u>16</u> Units
<u>ROXBURY-NORTH DORCHESTER NRC</u>			
	1742	165 Martin Luther King Blvd.	4
	1742	169 Martin Luther King Blvd.	8
	745	20 Rockland St.	4
	692	24 Rockland St.	4
			<u>20</u> Units
<u>CODMAN SQUARE HDC</u>			
	1535	60 Norwell St.	4
	1535	70 Norwell St.	4
	2062	65-69 Nightingale St.	12
	3481	3 Johnson Terrace	8
			<u>28</u> Units

DEVELOPMENT SCHEDULE

Tentative Designation	March 20, 1986
Technical Assistance Grant Award - BRA	May 15, 1986
EOCD Demolition Grant	June, 1986
Design Work begins	July, 1986
Final Designation	Nov. 1986
Construction begins	Nov. 15, 1986
1st Occupancy	July, 1987



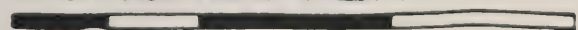
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INFILL BUILDINGS

ROXBURY

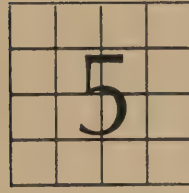


DORCHESTER









SENHI

The Goals of the SENHI Program

- Create affordable housing
 - 50% low and moderate income
- Eliminate Blight in the South End
 - Convey vacant land for productive reuse
 - Create or preserve open space and gardens
- Promote development opportunities for minority business and community based organizations.
 - MBE's
 - CDC's
 - Non-profit organizations
 - Joint ventures
- Build capacity among area residents
 - Planning process
 - Development process
- Mitigate the impact of development pressures
 - Protect residents from displacement
 - Establish a Neighborhood Stabilization Fund
 - Provide technical and financial assistance
 - Promote co-op homeownership opportunities
- Reinforce the South End's Historic character and neighborhood environment
 - Respect historic design guidelines
 - Satisfy parking and traffic concerns

SOUTH END NEIGHBORHOOD HOUSING INITIATIVE (SENHI)

The proposed strategy for SENHI consists of three elements: (1) a community participation process; (2) a phased disposition procedure for developable BRA owned parcels in the South End and (3) a Neighborhood Stabilization Fund designed to address involuntary displacement caused by private development and Orange Line relocation pressures in the area.

(1) The Community Participation Process

Over the past several months, the BRA staff has met with many South End neighborhood residents and leaders to present the elements of the SENHI program and solicit community comment. These discussions have indicated general support for the goals of the program and offered suggestions for a process for community participation. To ensure ongoing community participation, the Mayor will appoint a Citizen's Review Committee. As proposed, the South End CRC would consist of 21 members appointed by the Mayor. The CRC would review developer proposals for Phase I projects; assist in the development of the guidelines for Phase II projects; review and advise on all comprehensive zoning amendments; review designated developers' compliance with development guidelines.

(2) The Disposition Process

Under SENHI, the disposition of BRA owned parcels would be phased. Phase I would consist of the disposition of seven parcels along the Washington Street corridor, primarily for housing development. The plan is intended to

protect and maintain the area for affordable housing, gardens and open space and community uses, in anticipation of the removal of the elevated Orange Line.

The parcels would be offered in the Fall of 1986 in an RFP, which would be opened to proposals from MBEs, CDCs, non-profits and joint ventures with any of these entities in which the MBE, CDC or non-profit owns and controls at least 25% of the project.

The second component of Phase I will be the selection of open space and garden sites to be directly designated to qualified community entities as gardens or open space. The designated groups will be required to sign a maintenance agreement with the Authority.

Phase II of the SENHI program consists of the disposition of the balance of the developable parcels in the South End - approximately 50 parcels combined into 30 to 40 sites. These sites will be offered for the development of housing, open space or garden, parking, commercial or light industrial uses, as determined by the reuse plan developed with the review committee.

3) The Neighborhood Stabilization Fund

Proceeds from the sale of all parcels will be allocated to a proposed Neighborhood Stabilization Fund. The Fund would be designed to aid current South End residents who otherwise would not be able to afford to remain in the South End neighborhood. The fund would be allocated to financially assist eligible recipients by: providing equity financing for limited equity cooperatives; providing grants to non-profit groups for technical assistance in cooperative conversions; and providing grants to low and moderate income renters not otherwise protected.

- o Provide equity financing to residents to help them purchase apartment buildings of three or more units for conversion to limited equity cooperatives.
- o Provide grants to local non-profit groups who will identify buildings suitable for cooperative conversion and provide technical assistance to current residents in packaging the conversion project.
- o Provide grants to eligible low and moderate income South End renters who are not otherwise protected by the city's rent equity law and subsidized housing.

Key Features of the SENHI and How It Works

- Convey approximately 70 parcels of BRA-owned land in the South End in two phases.

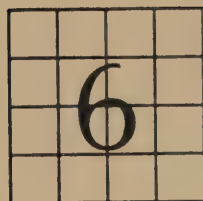
Phase I

- Large parcels along Washington Street Corridor, primarily for affordable housing; mixed use where appropriate.
- Reserve sites for selected garden and open space uses.
- Reserve sites for non-profit, community based organizations.

Phase II

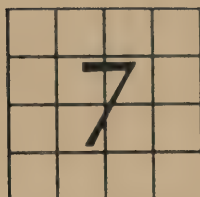
- Remaining parcels.
- Establish a community review mechanism to:
 - Assist in the development of guidelines for RFP's
 - Review all comprehensive zoning amendments
 - Assure developer compliance with development guidelines.
- Finalize a reuse plan for the SENHI parcels
- Issue RFP's for Phase I and Phase II
- Establish the Neighborhood Stabilization Fund from land sales.

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Public Resources

Project	Units	Public Land Sq.Ft.	City of Boston		State		Federal	
			Program	\$	Program	\$	Program	\$
Boston Aging Concerns	30	3,264	125,000	BRA Emergency Repairs PFD				1,000,000
Contractors Assoc. of Boston	24		50,000	BRA Technical Assistance				
Cass House	111	226,199	700,000	Lincoln Properties' Voluntary Contrib.	5,600,000	MHFA Mortgage		942,000
			158,000	Second Mortgage for land value	376,000	SHARP-707		
Charlestown Navy Yard - 4A	39	29,756						3,700,000
4-18 Clarendon/72 Warren	24	12,443	650,000	CARD Write down				3,409,000
City Lights	8	4,836						2,100,000
Columbia Point	1,282	1,952,000	148,000	BRA Technical Assistance	121,073,600	MHFA Mortgage	12,000,000 UDAG 8,700,000 Urban Initiatives	405,000
Douglass Plaza	146	160,000			9,538,416	MHFA Mortgage	3,500,000 HODAG (Application Pending)	
					357,652	SHARP/707		
					966,700	CDAG		
Fountain Hill	97-124	211,303						
Harry the Greek's	7	13,417		Emergency Repair Grant				1,083,290+
Infill	84	141,176	499,000	BRA Technical Assistance	210,000	EODC Abandoned Housing Funds		
					115,382	MHP-HOP		
					1,000,000	EODC-705		22,000,000
Parkside	94	5,695						1,367,550
Rosie's Place	20	32,300						
TDC III	59	16,645	2,584,767	Neighborhood Dev. Fund Loan	4,330,100	MHFA Mortgage	1,600,000 HODAG (pending)	
					157,995	SHARP-707		
Tent City	270	280,000	31,000,000	Neighborhood Dev. Fund Loan	20,000,000	MHFA Mortgage		4,000,000
					336,000	15 year SHARP-707		
			3,000,000	Site Assembly				
			500,000	Relocation				17,000
45 Thorndike St.	3	1,100	90,000	PFD Loan (pending)				15,200
47 Thorndike St.	3	1,100	99,482	PFD Loan (pending)				242,400
530 Tremont St.	3	1,650	153,989	LEND Loan				290,610
611 Tremont St.	4	1,760						
Winslow Court	24	29,153	25,000	PFD Technical Assistance	1,650,000	MHFA New construc. set aside	360,000 UDAG	
Totals:	2,335	3,123,979	40,756,238		165,711,845		26,160,000	52,880,000
							\$263,867,873	\$316,747,873



Future Prospects

PROSPECTS FOR FUTURE HOUSING PRODUCTION

The City of Boston and the Commonwealth of Massachusetts have invested substantial resources in the protection of existing housing and in the production of new and rehabilitated equity and rental units. The most recent example is the state appropriation to Boston of \$71 million in housing funds. Part of this money will be used to assist the Infill Collaborative, recently designated by the BRA to rehabilitate 17 abandoned HUD infill buildings into 84 units of affordable housing. Other funds, whether administered through the SHARP, CDAG or Homeownership Opportunity Programs, are expected to allow the BRA to exceed the 36% of all new housing units currently forecast to be affordable this year. At the same time, however, the federal government is pulling back on its commitment to housing programs. In addition, Congress is redesigning the tax laws reducing the preferential tax treatment given to income earning real estate. The tax reform package that is now being considered by Congress will have variety of effects upon the city's efforts to resolve its housing market problems. The tax reform package particularly hurts plans for the development of new multi-family rental housing which is crucial to the expansion of the city's affordable housing stock.

Summary of the Tax Reform Measures

The tax reform plan affects virtually every taxpayer, both individuals and corporations. This summary outlines only those changes that are relevant to the tax bill paid by households, and those special provisions that will have an impact on the development of affordable housing.

Tax Rates: Current law taxes individuals at tax rates from 11 percent to 50 percent in 14 different brackets. The Senate plan will replace these with only 2 brackets of 15 percent and 27 percent.

Accelerated Depreciation: Under current law, rental properties are assumed to have a short life span with rapid depreciation in the useful life of the property during the early years of operation. This depreciation in the value of the property can be sold to investors who have high incomes and need such depreciation losses to reduce their tax bills. Under tax reform, real estate is assumed to have a longer life span which reduces the amount of depreciation losses that can be claimed in any single year. In addition, tax reform will eliminate the ability to sell tax losses from a piece of real estate to an investor.

Capital Gains Exclusion: Under current law, profits from the sale of real estate are taxed at lower rates than ordinary income. This encourages investment in real estate. With tax reform, such profits will be taxed in the same manner as any other form of income.

Rehabilitation Tax Credits: Under current tax laws, if an investor rehabilitates an older building or a building on the list of historic buildings, a special credit is given which reduces the investor's tax bill. Tax reform will continue this practice, but the amount of the tax credit has been reduced significantly.

Impact of Tax Reform Upon Investment in Real Estate: The analysis of the impact of tax reform upon investment in real estate is complex. Analysis of income and expense statements for typical rental housing developments yields the rents that would have to be charged in order for the investor to obtain a 20 percent after tax return on investment. While this level of return is high, it is found to be a level of return required in order to attract developers toward investment in the relatively high risk business of rental housing.

The following table compares the initial rents of these developments under current tax law and under the Senate version of tax reform.

TABLE 9
Initial Rents Per Month on Market Units
Boston Multi-Family Rental Housing Development

<u>Set Aside for Low-Income</u>	<u>Existing Tax Law</u>	<u>Senate Tax Rfm</u>	<u>Percent Increase</u>
None	843	984	17%
25% at 70% median	1,007	1,108	10%
25% at 50% median	1,024	1,070	4%

Source: Boston Redevelopment Authority, Research Department.

What Table 9 indicates is that significantly higher rents will be required in order for a development to provide the same profit to a developer under tax reform as would have been made under current tax law. This means that developers will be much more selective in choice of market areas in which they will invest. Further, they will be increasingly reluctant to invest in market areas where rents are either low or increasing slowly.

Tax reform provides one incentive for developers to allocate units in their rental housing developments for occupancy by low- and moderate-income households. For each unit occupied by households whose income falls in the range of 50 to 70 percent of the median area income, a tax credit of 4 percent

of the value of the unit may be taken by the developer for up to 30 percent of the units, provided that no other subsidy is taken on the unit. If the unit is occupied by a household with income below 50 percent of the area median, the tax credit goes up to 8 percent of the value of the unit. It appears, however, that the incentives are not high enough to attract developers to build this type of housing. The incentives return less to developers than the income lost by reducing rents. For this reason, it would be extremely difficult to attract developers into such developments.

That Senate proposal has been modified with the adoption of the Mitchell Amendment, which would permit the concurrent use of the tax credit and the Section 17 Rental Rehabilitation, UDAG, HODAG, CDBG, and Section 8 Moderate Rehabilitation programs. The Mitchell Amendment further provides that the credit (though in a lesser amount) would be available to the purchasers of existing federally assisted housing, (e.g. Section 221 (d) (3), Section 236, and Section 8 New Construction developments). Overall, this could be useful in Boston, where one of every five rental units is HUD-assisted. For Section 8 projects specifically, however, an additional rental income limitation in the Amendment may jeopardize the usefulness of this provision for purchase of HUD-foreclosed properties such as the 2000 unit Granite Properties project. BRA is cooperating with other governmental agencies and national housing advocacy groups to seek further amendments, including extending the tax credit to sponsors of projects employing tax exempt financing.

In light of declining federal funding and impending tax reform, the city must redouble its efforts in the area of housing production. The private market housing projects and zoning relief projects in the BRA pipeline, totaling close to 1,305 units, are evidence of strong developer interest in building housing in the city without direct public assistance. What is at risk

is the city's ability to provide affordable housing opportunities. While over 60% of publicly assisted units are affordable to low- or moderate-income households, only 9% of private market units and 31% of zoning relief units are affordable.

Local public resources will have to be combined in increasingly creative ways to keep affordable housing production a reality in this city; and to keep Boston from becoming a place where only the affluent can afford to live.

